CEL-SCI Corporation

US / Biotechnology
NYSE, US; FSE, Germany
Bloomberg: CVM US
ISIN: US1508376076

Pipeline update

RATING	**BUY**
PRICE TARGET	**USD 6.20**
Return Potential	384.4%
Risk Rating	High

PROPOSED CONFIRMATORY STUDY PROTOCOL APPROVED BY FDA

CEL-SCI announced a positive outcome of the type B meeting with the US FDA for Multikine, its lead drug candidate for advanced primary (newly diagnosed) head and neck squamous cell carcinoma (HNSCC). The FDA accepted CEL-SCI's new criteria for the selection of the target population among HNSCC patients (No lymph node involvement – N0 –, and low PD-L1 tumour expression) and the proposed study design for a confirmatory study in 212 patients. The company now needs to incorporate comments from the FDA to finalise and submit the final registration protocol (management guidance: this summer). Enrolment of patients for the confirmatory study could begin shortly thereafter if the necessary funding is secured. We believe CEL-SCI has achieved an important milestone with the FDA, considering that the agency is usually very strict with new therapies targeting patients with newly-diagnosed cancer (vs terminal cancer patients). Despite recent positive pipeline news flow, the share price has declined by >50% over the last five months. This drop will lead to higher dilution in upcoming financing rounds. We have therefore adjusted our share price assumptions regarding future financing accordingly. Given the positive feedback from the FDA, we expect that the company will focus all of its clinical resources on finalising the protocol for submission to the FDA and starting the confirmatory study as soon as possible. We have now shifted our assumptions for the potential market launch timeline in the smaller markets of Canada and the UK to 2026 (previously: 2025). Based on an updated sum-of-the-parts valuation model, we have lowered our price target to USD6.20 (previously: USD8.40). But in view of the >380% upside to our price target, we stick to our Buy recommendation.

By authorising the conduct of a confirmatory study, the FDA validated the positive findings of the phase 3 study and the potential benefit of Multikine for the treatment of HNSCC In April 2024, CEL-SCI met with a panel of fourteen FDA regulators and scientists, including senior FDA oncology executives, for an in-depth discussion on Multikine. (p.t.o.)

FINANCIAL HISTORY & PROJECTIONS

	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E
Revenue (USD m)	0.00	0.00	0.00	0.00	0.00	0.00
Y-o-y growth	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBIT (USD m)	-28.99	-36.19	-36.06	-31.48	-44.20	-34.40
EBIT margin	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net income (USD m)	-30.26	-36.36	-36.70	-32.19	-44.90	-35.10
EPS (diluted) (USD)	-0.82	-0.90	-0.87	-0.72	-0.65	-0.36
DPS (USD)	0.00	0.00	0.00	0.00	0.00	0.00
FCF (USDm)	-17.97	-27.83	-18.90	-23.22	-39.50	-32.38
Net gearing	-78.6%	-63.8%	-70.5%	-31.4%	-48.5%	-32.5%
Liquid assets (USD m)	15.51	42.21	22.67	4.15	13.10	9.03

RISKS

Risks include, but are not limited to development, regulatory, competition and financial risks.

COMPANY PROFILE

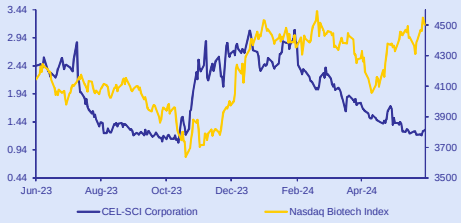
CEL-SCI Corporation is a leading US immuno-therapeutic biotech company focused on the development of new drugs to treat cancer. The company's lead drug candidate, Multikine, has completed international phase 3 trials in 750 patients for the treatment of locally advanced primary head and neck squamous cell carcinoma (HNSCC). CEL-SCI will seek conditional approval in the US, Europe, UK and Canada.

MARKET DATA

As of 10 Jun 2024	
Closing Price	USD 1.28
Shares outstanding	54.40m
Market Capitalisation	USD 69.63m
52-week Range	USD 1.07 / 3.08
Avg. Volume (12 Months)	577,269

Multiples	2022/23	2023/24E	2024/25E
P/E	n.a.	n.a.	n.a.
EV/Sales	n.a.	n.a.	n.a.
EV/EBIT	n.a.	n.a.	n.a.
Div. Yield	0.0%	0.0%	0.0%

STOCK OVERVIEW



COMPANY DATA

As of 31 Mar 2024	
Liquid Assets	USD 5.31m
Current Assets	USD 8.51m
Intangible Assets	USD 0.18m
Total Assets	USD 30.05m
Current Liabilities	USD 5.09m
Shareholders' Equity	USD 14.31m

SHAREHOLDERS

Vanguard Group Inc.	4.0%
Geert Kersten	2.5%
BlackRock Inc.	1.6%
Free float and other	91.9%

Analyst: Christian Orquera, Tel. +49 (0)30 - 80 93 96 90

In addition to detailed clinical data from the completed phase 3 trial in 928 patients and the analysis on the subgroup of 114 patients who met the new criteria and showed an impressive five-year survival of 73% vs 45% for the control group (p=0.0015), the FDA requested detailed information on the drug's biological mode of action, including non-clinical evidence (e.g. academic studies) of why the drug works. As Multikine is a neoadjuvant drug, administered prior to standard treatment and to newly diagnosed patients who have a higher chance of survival (as opposed to relapsed or even late-stage patients), the hurdles for demonstrating an appropriate benefit-risk profile in these patients were high (one regulator called such patients as "much more delicate" than late-stage patients). According to CEL-SCI, the discussion was positive and collaborative and the FDA was ultimately satisfied with the evidence and explanations provided. For more details on Multikine's mode of action, please refer to our initiating coverage report on CEL-SCI published in December 2023 and CEL-SCI's report on the FDA's Path Forward for Multikine (https://cel-sci.com/wp-content/uploads/2024/05/CEL_SCI-Report-on-FDA-Path-Forward-May-2024-FINAL.pdf).

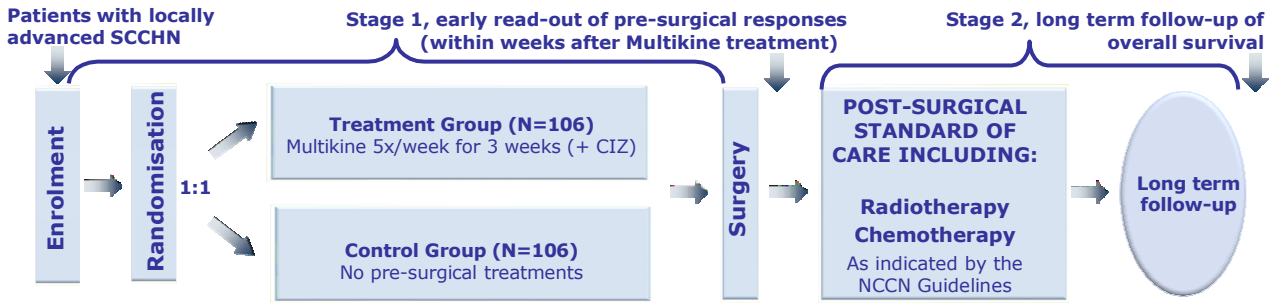
The FDA also accepted CEL-SCI's well-justified new criteria for selecting the target population among HNSCC patients (No lymph node involvement – N0 –, and low PD-L1 tumour expression). This was confirmed in the written minutes received by CEL-SCI 30 days after the meeting stating that "eligibility criteria are generally acceptable" for a confirmatory trial and the nonclinical data package presented "appears sufficient to support the proposed clinical study". The FDA had no safety concerns for Multikine and recognised that there is an unmet medical need for improved therapies in this indication. The company now needs to incorporate some comments and answer some questions from the FDA to finalise and submit a final version of the registration protocol (management guidance: this summer).

The FDA also gave the green light to the study design proposed by CEL-SCI for a pivotal confirmatory registration study in 212 HNSCC patients The confirmatory study will be a randomised, controlled trial in 212 HNSCC patients with two equally sized arms: (1) an arm administering Multikine coupled with a cocktail of three adjuvants (CIZ: low-dose Cyclophosphamide, Indomethacin and Zinc to increase the effectiveness of Multikine's effect) plus subsequent standard of care (SOC); and (2) a control arm administering SOC alone. SOC treatment consists of surgery + radiotherapy or surgery + radiotherapy and chemotherapy depending on pathology from surgery. In addition, the confirmatory study will comprise two stages:

1. The first stage (stage 1) comprises patient enrolment, randomisation 1:1 between the Multikine arm and the control arm, and patient treatment. In stage 1, pre-surgical tumour response rates will be investigated, which can be determined almost immediately after the three-week treatment with Multikine. We recall that in the previously completed phase 3 study, patients who had pre-surgical responses had a significantly better 5-year survival (>32% 5-year absolute overall survival advantage vs control with p=0.0019). We therefore expect that CEL-SCI will seek FDA and other country approval to market the drug based on tumour response rate data.
2. In the second stage (stage 2) of the study, long-term survival will be monitored, with the assessment of overall survival being the primary efficacy endpoint. Histopathology biomarkers will also be investigated.

In the FDA written meeting summary submitted to CEL-SCI, the committee concluded that the proposed stratification factors "appear reasonable" for analysis. We give an overview of the confirmatory study design in figure 1 overleaf.

Figure 1: Overview of the Multikine + CIZ phase confirmatory pivotal trial design



Source: First Berlin Equity Research, CEL-SCI Corp

Provided CEL-SCI can start its confirmatory study in late 2024, we anticipate potential commercialisation based on early approval in the US and Europe in 2026 Assuming that patient enrolment in the study will take about one year, we expect that CEL-SCI will seek FDA approval to market the drug based on tumour response rate data available by H1 2026. Depending on how consistent the data is, the agency will then decide whether accelerated approval is justified. We expect a potentially accelerated approval to allow commercialisation in 2026. We currently assume a similar timeline for Europe. We recall that the European Medicines Agency (EMA) has granted CEL-SCI an exemption from the strict paediatric requirements, meaning that the company does not need to conduct paediatric studies under Article 13 of Regulation (EC) No 1901/2006 before it can apply for marketing authorisation of the drug. This saves CEL-SCI potential cost and time.

Due to a prioritisation of clinical resources for the FDA filing, we now expect potential approval and market launch in Canada and the UK in 2026 (previously 2025) Given the positive feedback from the FDA in the US, which together with the EU is one of the largest and most profitable markets, we expect that the company will focus all of its clinical resources on finalising the protocol for submission to the FDA and starting the confirmatory study as soon as possible. We therefore anticipate a later application for conditional approval designation in the smaller markets of Canada and the UK in 2025 (previously: H2 2024), leading to a market launch in 2026 (previously: H1 2025).

The target population based on CEL-SCI identification criteria may total ~37k p.a. on the core North American (FBe: ~1k p.a. in Canada and ~11k p.a. in the US) and European (FBe: ~2k p.a. in the UK and ~23k p.a. in the EU) markets.

We have updated our estimates for 2023/24E and subsequent years to reflect the postponement of potential market launch in Canada and the UK In light of CEL-SCI's requirement to focus resources on the US filing, we have updated our financial forecasts. Changes to our forecasts are summarised in table 1.

Table 1: Changes to our forecasts (KPIs)

	2023/24E			2024/25E			2025/26E		
in USD'000	old	new	Delta	old	new	Delta	old	new	Delta
Sales	0	0	-	9,134	0	*-100.0%*	45,167	17,701	*-60.8%*
EBIT	-44,200	-44,200	-	-28,280	-34,400	-	2,662	-15,740	*-691.3%*
Margin (%)	-	-	-	-	-	-	-	-	-
Net income	-44,900	-44,900	-	-28,980	-35,100	-	2,032	-16,370	*-905.6%*

Source: First Berlin Equity Research

CEL-SCI and the drug candidate Multikine will benefit from the addition of key opinion leader and clinical expert in the cancer field, Dr Giovanni Selvaggi, as advisor On 6 June, CEL-SCI announced that Dr Selvaggi will join the company as a clinical advisor to support the regulatory process for Multikine. He is a renowned US drug developer, cancer researcher and strategic advisor to big pharma and early to late stage biotech companies. In addition to his current position as Chief Medical Officer at Xcovery Holdings, where he is leading the ongoing regulatory submission of the lung cancer drug Ensartinib to the FDA, he advises other biotech companies on clinical development affairs. He brings exceptional clinical development experience gained in senior positions with innovative immunooncology drug candidates at major pharmaceutical companies. He played a key role in the development and approval of the lung cancer drugs Zykadia for Novartis and Opdivo for Bristol Myers Squibb. In addition, he was VP of clinical development at Oncolytics. Previously, he was a staff physician in thoracic oncology at the University Hospital of Turin and participated in several clinical trials in lung cancer and mesothelioma over a period of 20 years.

OVERVIEW OF H1 2023/24 RESULTS

Lower YoY OPEX spending and cash burn in H1 23/24 – cash position down to USD5.3m but can finance operations into approx. early Q3 2024 OPEX fell by USD2.2m to USD13.6m (H1 22/23: USD15.8m), chiefly due to a decline in R&D expenses to USD9.0m (H1 22/23: USD11.5m). General and administrative expenses were almost unchanged at USD4.6m (H1 22/23: 4.4m). The net loss narrowed to USD14.0m (H1 22/23: USD16.4m), of which USD5.3m were non-cash expenses, primarily for share-based compensation & payment for services as well as depreciation and amortisation. As a result, cash flow from operating activities came in at USD 9.4m (H1 22/23: USD12.1m). Cash flow from financing amounted to USD10.6m (H1 22/23: USD-0.3m) which is attributable to net proceeds of two capital increases (gross proceeds of USD5m – 2.5m shares at 2p/s – raised on 20 November 2023 and USD7.75m – 3.9m shares at 2p/s – raised on 13 February 2024). The cash position declined to USD5.3m (H1 22/23: USD10.0m) leaving the company with a cash runway into ~ early Q3 2024.

We expect CEL-SCI to seek a capital increase of ~€30m to fund the Multikine confirmatory trial and a strategic partnership Given CEL-SCI's short cash reach and the intention to start the confirmatory trial in H2 2024, we expect the company to conduct a capital increase of at least ~€30m in the coming months. We believe that the recent positive news from the FDA meeting on Multikine provides a good basis for the upcoming financing measures. In parallel, we expect CEL-SCI to seek a partnership with a large pharmaceutical company that could potentially co-finance the confirmatory trial for Multikine, sell the drug globally and also initiate trials in other tumours beyond head and neck cancer.

VALUATION MODEL

Buy rating unchanged on lower price target CEL-SCI's lead HNSCC drug candidate Multikine has achieved a significant milestone in its filing process in the US by receiving the green light from the FDA for the proposed confirmatory trial design. On the back of this positive news, we expect the company to tap the capital markets in the coming few months to raise funds of at least USD30m to finance the upcoming confirmatory trial. Given the impressive 5-year survival rate of 73% in patients from the target population who received Multikine in the phase 3 study compared to 45% for the control group (high statistical significance: p=0.0015), we see CEL-SCI as a highly attractive, substantially de-risked investment opportunity. At the current valuation of ~€70m, we believe investors do not yet appreciate the potential of the immuno-oncology drug candidate Multikine, which is close to conditional approval and addresses a market of ~USD3.7bn. Comparable US-listed immune-oncology biotech companies with drug candidates in phase 3 have traded at valuations in a broad range of ~USD500m to USD900m over the last 24 months. Despite the recent positive news from the pipeline, the share price has fallen by >50% in the last five months. This decline will lead to higher dilution in upcoming financing rounds. We have therefore adjusted our share price assumptions for future financing rounds accordingly. We have also pushed back our assumptions for the potential market launch timeline in the small markets of Canada and the UK to 2026 (previously: 2025). Based on an updated sum-of-the-parts valuation model, we have lowered our price target to USD6.20 (previously: USD8.40). We maintain our Buy rating.

Figure 2: "Sum-of-the-parts" (SOTP) valuation model

Compound	Project[1)]	Present Value	Patient Pop (K)	Treatment Cost (USD)	Market Size (USDM)	Market Share (%)	Peak Sales (USDM)	Royalty Rate (%)	PACME Margin[2)] (%)	Discount Factor (%)	Year of market launch
Multkine	HNSCC - Canada	USD 22.5M	1K	90,000	110.0M	25%	32.8M	35%	67%	17%	2026
Multkine	HNSCC - UK	USD 39.3M	2K	90,000	178.9M	25%	53.4M	35%	67%	17%	2026
Multkine	HNSCC - US	USD 237.6M	11K	110,000	1,218.7M	24%	341.6M	35%	67%	17%	2026
Multkine	HNSCC - EU	USD 348.3M	24K	90,000	2,199.4M	20%	546.4M	35%	67%	17%	2026
PACME PV		USD 647.7M			3,707.0M		974.2M				
Costs PV[4)]		USD 141.0M									
NPV		USD 506.7M									
Milestones PV		USD 40.2M									
Net cash (proforma)		USD 92.7M									
Fair Value		USD 639.6M									
Share Count (proforma)		102,897K									
Price Target		USD 6.20									
Price Target		EUR 5.70	(based on EUR-USD exchange rate of 1.09)								

1) A project typically refers to a specific indication or, where necessary or relevant, a combination between indication and geographic market

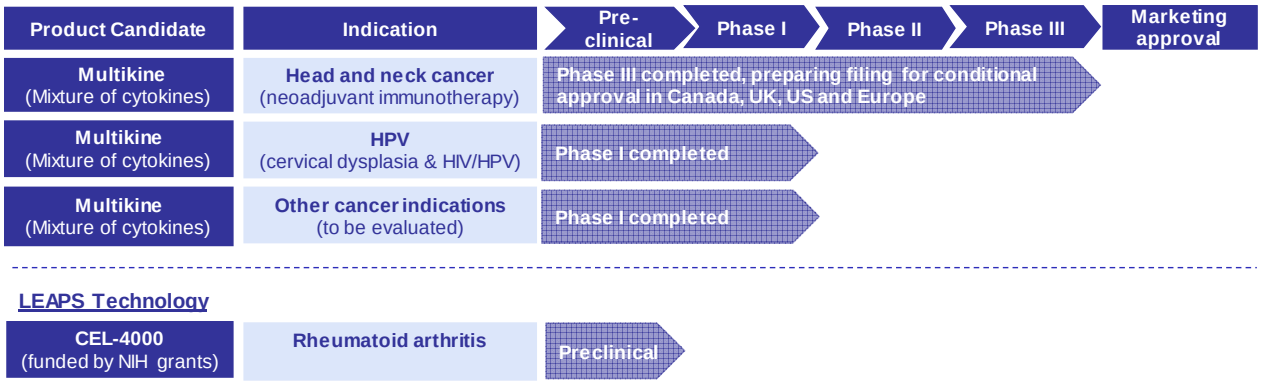
2) PACME (Profit After Costs and Marketing Expenses) reflects the company's profit share on future revenues. This share may be derived in the form of royalties (outsourced marketing/manufacturing) or operating EBITDA margin (in-house model), or some mix of both (depending on the specific parameters of partnership agreements)

3) Remaining market exclusivity after the point of approval

4) Includes company-level R&D, G&A, Financing Costs and CapEx; COGS and S&M are factored into the PACME margin for each project

COMPANY SNAPSHOT

Figure 3: Overview of the R&D pipeline focusing on cancer



Source: First Berlin Equity Research, CEL-SCI Corporation

Figure 4: Multikine accelerated approval pathway with the US FDA

- In May 2024, the FDA provided green-light for the confirmatory clinical trial (n=212) for a potential accelerated approval pathway.
- The company needs to incorporate some comments from the FDA to finalise and submit a final version of the registration protocol (management guidance: this summer).
- New law (Food and Drug Omnibus Reform Act) in December 2022 requires enrolment in the confirmatory study to be completed before accelerated approval is given in the US.
- The FDA has acknowledged the longstanding need for improved treatments for head and neck cancer. The agency is open to a close collaboration with CEL-SCI to help demonstrate that Multikine could be such a therapy.

Source: First Berlin Equity Research, CEL-SCI Corporation

Figure 5: Multikine approval pathways for Canada, the UK and the EU

Health Canada - Potential Conditional Approval Pathway (NOC/c)

- The company will continue working towards filing the application for the Notice of Compliance with conditions (NOC/c) approval, as Health Canada has suggested. Filing is planned for 2025.

UK MHRA - Potential Conditional Marketing Authorisation (CMA)

- NICE (National Institute for Health and Care Excellence) has selected Multikine for evaluation as the potential new standard of care for squamous cell carcinoma of the head and neck in the UK.
- The company submitted the final target population data to the MHRA.
- Filing is planned for 2025.

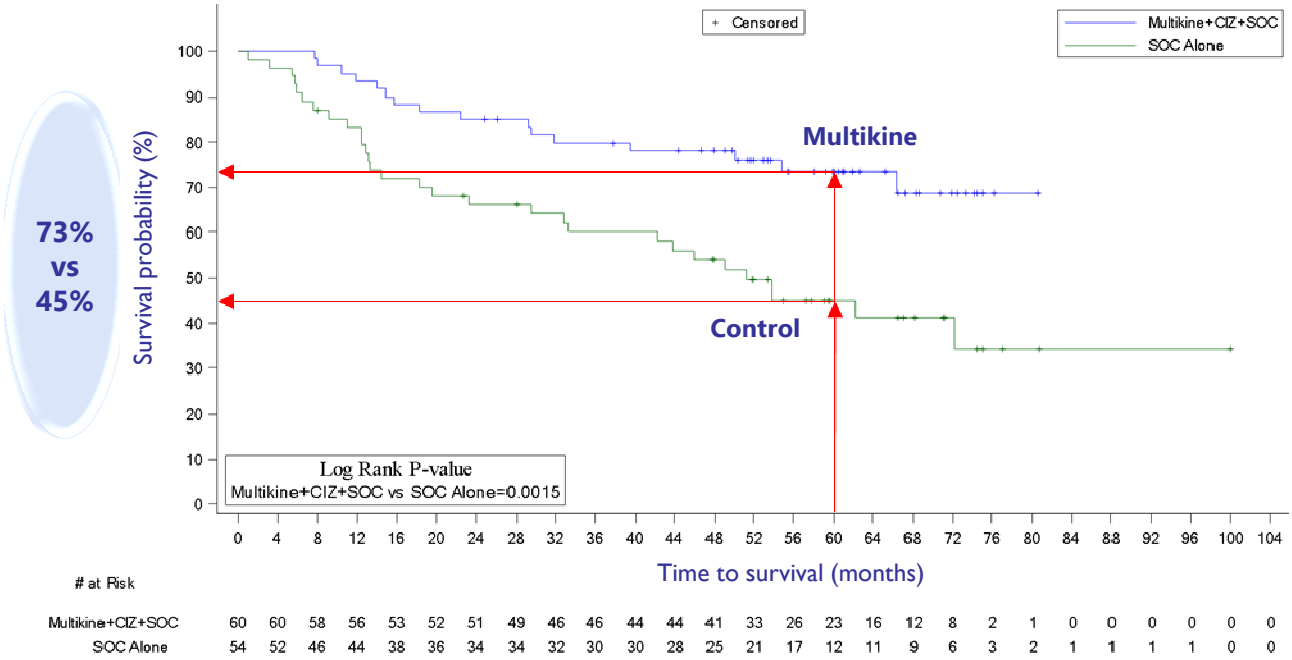
European Medicines Agency - Potential Conditional Marketing Authorisation (CMA)

- EMA recently granted CEL-SCI a waiver of strict pediatric requirements, helping to clear the path towards marketing authorisation for Multikine.
- CEL-SCI plans to submit the final protocol for the confirmatory study to EMA and FDA, using that opportunity to discuss further steps.

Source: First Berlin Equity Research, CEL-SCI Corporation

Figure 6: Overall survival in Multikine target population

Kaplan-Meier overall survival for Multikine target population (n=114) in the phase 3 study



Source: First Berlin Equity Research, CEL-SCI Corp

CEL-SCI conducted an in-depth analysis of the data from the phase 3 study in the overall population of patients with primary advanced head and neck squamous cell carcinoma (HNSCC). The patients who meet the following criteria, which can be easily identified with two standard practice diagnostic tests, are defined as the new target population:

(1) No lymph node involvement – N0 – and no extracapsular spread (per PET imaging scan)

(2) Low PD-L1 tumour expression showing tumour proportional score (TPS) <10 (per tumour sample)

In the newly identified target population, patients administered Multikine+CIZ+SOC achieved an impressive 73% 5-year survival rate compared to 45% for the control group.

Figure 7: Risk profile of Multikine's confirmatory study

The planned confirmatory study involving 212 patients is considerably less risky and, in our view, has better chances of success than a regular phase 3 study, as the main objectives (i.e. absolute survival benefit and hazard ratio) are already known from the phase 3 study with high statistical significance and these were well above the minimum requirements for approval:

Multikine results required in the confirmatory study in the target population for approval	Multikine results obtained in the phase 3 study in the target population
Survival benefit greater than absolute 10%	Absolute 28% survival benefit
Hazard ratio below 0.72	Hazard ratio of 0.35
Upper bound of hazard ratio below 0.72	Upper bound of hazard ratio amounted to 0.66

Source: First Berlin Equity Research, CEL-SCI Corp

INCOME STATEMENT

All figures in USD '000	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E
Revenue	**0**	**0**	**0**	**0**	**0**	**0**
Cost of goods sold	0	0	0	0	0	0
Gross profit	559	0	0	0	0	0
General & Administrative	-11,703	-13,085	-10,707	-9,005	-9,200	-9,400
Research & Development	-17,840	-23,109	-25,355	-22,471	-35,000	-25,000
Total operating expenses (OPEX)	**-29,544**	**-36,194**	**-36,063**	**-31,476**	**-44,200**	**-34,400**
Operating income (EBIT)	**-28,985**	**-36,194**	**-36,063**	**-31,476**	**-44,200**	**-34,400**
Net financial result	-1,042	-1,149	-1,081	-675	-700	-700
Non-operating income/expenses	-228	982	443	-43	0	0
Pre-tax income (EBT)	**-30,255**	**-36,361**	**-36,701**	**-32,194**	**-44,900**	**-35,100**
Income taxes	0	0	0	0	0	0
Net income / loss	**-30,255**	**-36,361**	**-36,701**	**-32,194**	**-44,900**	**-35,100**
Diluted EPS (USD)	**-0.82**	**-0.90**	**-0.87**	**-0.72**	**-0.66**	**-0.37**
Ratios						
Gross Margin on Revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBIT Margin on Revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA Margin on Revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Margin on Revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Expenses as % of OPEX						
Sales & Marketing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
General & Administrative	39.6%	36.2%	29.7%	28.6%	20.8%	27.3%
Research & Development	60.4%	63.8%	70.3%	71.4%	79.2%	72.7%
Y-Y Growth						
Revenue	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Operating income	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net income/ loss	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

BALANCE SHEET

All figures in USD '000	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E
Assets						
Current Assets, Total	**17,697**	**45,272**	**25,436**	**6,918**	**17,712**	**17,598**
Cash	15,509	36,060	22,672	4,146	13,096	9,034
Short-term investments	0	6,151	0	0	0	0
Accounts receivables	55	55	0	0	100	500
Other current assets	2,133	3,005	2,764	2,773	4,517	8,064
Non-Current Assets, Total	**22,839**	**30,598**	**25,088**	**23,610**	**23,261**	**22,713**
Property plant and equipment	5,844	13,664	11,889	10,188	11,579	12,576
Intangible assets	313	276	212	198	257	333
Other LT assets	15,011	14,748	12,822	10,830	9,031	7,411
Deposits and others	1,671	1,911	164	2,394	2,394	2,394
Total Assets	**40,536**	**75,870**	**50,524**	**30,528**	**40,974**	**40,311**
Shareholders' Equity & Debt						
Current Liabilities, Total	**4,266**	**3,937**	**4,664**	**5,586**	**3,796**	**4,024**
Accounts payable	2,023	1,676	1,618	2,010	1,900	1,995
Other current liabilities	2,242	2,261	3,045	1,772	1,896	2,029
Longterm Liabilities, Total	**16,544**	**15,399**	**13,697**	**11,728**	**10,178**	**8,498**
Other liabilities	12,992	15,399	13,697	11,728	10,178	8,498
Shareholders Equity	**19,727**	**56,534**	**32,163**	**13,215**	**27,000**	**27,790**
Total Consolidated Equity and Debt	**40,536**	**75,870**	**50,524**	**30,528**	**40,974**	**40,311**
Ratios						
Current ratio (x)	4.15	11.50	5.45	1.24	4.67	4.37
Quick ratio (x)	4.15	11.50	5.45	1.24	4.67	4.37
Net gearing	-78.6%	-63.8%	-70.5%	-31.4%	-48.5%	-32.5%
Book value per share (€)	0.54	1.39	0.75	0.30	0.40	0.29
Net debt	-15,509	-36,060	-22,672	-4,146	-13,096	-9,034
Equity ratio	48.7%	74.5%	63.7%	43.3%	65.9%	68.9%

CASH FLOW STATEMENT

All figures in USD '000	2019/20	2020/21	2021/22	2022/23	2023/24E	2024/25E
Net income	**-30,255**	**-36,361**	**-36,701**	**-32,194**	**-44,900**	**-35,100**
Interest payments, net	1,042	1,149	1,081	675	700	700
Tax provision	0	0	0	0	0	0
Non-operating items	228	-982	-443	43	0	0
EBIT	**-28,985**	**-36,194**	**-36,063**	**-31,476**	**-44,200**	**-34,400**
Depreciation and amortisation	2,160	2,231	3,829	3,958	3,850	3,578
EBITDA	**-26,825**	**-33,963**	**-32,234**	**-27,518**	**-40,351**	**-30,822**
Derivative liability	0	0	0	0	0	0
Share based payments	12,909	15,113	12,375	7,150	7,000	6,000
Changes in working capital	-1,250	-483	2,592	-1,777	-1,830	-3,720
Cash interest net	-1,042	-1,149	-1,081	-718	-700	-700
Other adjustments	932	1,696	107	15	0	0
Operating cash flow	**-15,276**	**-18,787**	**-18,240**	**-22,849**	**-35,880**	**-29,242**
CapEx	-2,695	-9,039	-661	-372	-3,620	-3,140
Free cash flow	**-17,971**	**-27,826**	**-18,901**	**-23,221**	**-39,500**	**-32,382**
Other investments	0	-6,146	6,151	0	0	0
Cash flow from investing	**-2,695**	**-15,185**	**5,491**	**-372**	**-3,620**	**-3,140**
Debt Financing, net	0	0	0	0	0	0
Equity Financing, net	25,650	53,769	-38	6,255	50,000	30,000
Payments for financial leases	-615	754	-600	-1,560	-1,550	-1,680
Cash flow from financing	**25,035**	**54,523**	**-638**	**4,694**	**48,450**	**28,320**
Net cash flows	**7,064**	**20,551**	**-13,388**	**-18,526**	**8,950**	**-4,062**
Cash, start of the year	8,445	15,509	36,060	22,672	4,146	13,096
Cash, end of the year	**15,509**	**36,060**	**22,672**	**4,146**	**13,096**	**9,034**
Y-Y Growth						
Operating Cashflow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Free cashflow	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy[1]	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

[1] The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	5 December 2023	USD2.80	Buy	USD8.40
	↓	↓	↓	↓
2	14 February 2024	USD2.29	Buy	USD8.40
3	Today	USD1.28	Buy	USD6.20

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